

CTTC Marketing Advisory Committee Meeting
February 27, 2007
9:00 a.m. to 12:30 p.m.

Commissioner Bilby called the meeting to order at 9:30 a.m. Roll was taken, and the following Commissioners were present: Commissioner Anderson, Bilby, Klein, Lawrance, MacRae, Meunier, Patel, Sedlick, Wagon, and Westrope. Others present were: Kathy Anderson, Paloma Arreygue, Brian Baker, Lori Bartle, Jeanne Berube, Caroline Beteta, Cori Boone, Karry Broughton, Bill Bullard, Brad Burlingame, Troy Cantrell, Lynn Carpenter, Sam Caygill, Guy Chambers, Andy Chapman, Joan Clark, Shellie Cook, Sue Coyle, Rene Dennis, Jerry Easley, Damon Eberhart, Mark Feary, Tracy Garrett, Kari Gleeson, Chris Hart, Tammy Hauohey, Ross Hutchings, Jennifer Jasper, Brad Johnson, Jean Johnstone, Shozo Kagoshima, Kerri Kapich, Rob Kasmierski, Tom Klein, Patti MacJennett, Kristin McClusky, Sommer McCormick, Mo McElroy, David Mering, Michael Merner, Amanda Moreland, Crystal Muhlenkamp, Greg Murtha, Jonelle Norton, Jason Pacheco, Jo Palmer, Woody Peek, Christine Pierson, Jeff Phillips, Andy Price, Carl Ribaud, Lori Richards, Mina Robertson, Scott Schneider, Joshua Sellers, Janice Simoni, Barbara Steinberg, Percy Stevens, Glenda Taylor, Steve Telliano, Jon Trumbull, Martin Walter, Bob Warren, Susan Wilcox, and Patty Youngclaus

Motion by Commissioner Menuier to approve the minutes of October 24, 2006. Second by Commissioner Wagon. Motion unanimously approved.

Executive Director Report

Executive Director Beteta reported that the CTTC is in a referendum year and the assessed businesses will vote whether they wish to continue the CTTC program. She reported that all of the regional marketing representatives will be conducting outreach and this is a great time for them to remind the industry of all the work the CTTC does. She reported that California now ranks number two on the TIA comparative of all state budgets.

She also reported that the Governor has agreed to return to our advertising campaign and is also working on developing two international trade missions this year. He will be announcing a Canada Trade and Tourism Mission in May and will be looking at a Trade and Tourism Mission to India in November. She reported that the Mexico Trade and Tourism Mission went very well. Executive Director Beteta announced that Dale Bonner has been announced as the new Secretary of Business, Transportation and Housing.

Domestic Advertising

Denise Miller of SMARI reported on domestic advertising, she stated that SMARI has measured the impact of tourism from influenced travel and

incremental travel. In the 2006 results, there were 15.6 million trips. The average expenditures of the trips were \$1200-\$1500 dollars. She reported that tourism had a total economic impact of \$19.3 billion and \$1.2 billion in tax revenue. General fund ROI is approximately \$29 returned per dollar spent up from \$19 in the past. She reported that the national cable buy has significantly motivated travel. The ad buy this past year has influence 10.5 million trips from in-state. For the Snow campaign, SMARI did a first year awareness phase and the Snow campaign was higher than any other competitor. Those who had seen the ad message said they were twice more likely to visit than before. She reported that the competitive situation is challenging.

Dave Mering reported on the spring-summer campaign update. He reported that there was a great opportunity to film Jeff Gordon at the California Speedway and last November they shot three new scenes for the spot. New scenes that will be added back into the spot are the Governor, in addition to Wolfgang Puck, and Jeff Gordon.

Lori Richards reported that the media plan is focused on television with network and national cable buys, in the addition to Canada. The CTTC has a year around internet presence with search engine optimization, emails blasts, print, and partnerships that are all geared toward the affluent travelers. The campaign is aired in the morning and evening television spots debuting during this year's academy awards. The majority of the spots will run during prime time and key shows. The delivery is approximately doubled what we had last year and will reach 71% of our core target over eight times. We also have the winter campaign that ran in four markets and on the internet. The spots will run through May and will also be airing in Canada for 9-12 weeks starting in March. Lori Bartle stated that the campaigns have been put on youtube.com for additional reach. Lori also stated that the traffic to the snow web site for February was approximately 35,000 visitors, compared to 90,000 visitors for the entire first year.

Focus Group Update

Lori Bartle reported that it has been about nine years since the CTTC has done any focus group research. She reported that during the focus groups they spoke with out of state, in-state and international travelers. The good news is that the strategic platform is very solid and based on three ideas: Must see, must feel, and the must experience. Lori stated that from the focus group research they have been able to gather new information to update the strategic planning and creative development team in identifying new initiatives.

Strategic Plan Update

Commissioner Bilby stated that staff has been working with the committees and putting together the new Strategic Plan. A lot of

research has been completed, numerous meetings were held with staff, the industry and the international offices.

The Strategic Plan was reviewed. Lynn Carpenter reported that during the process they have identified the key goals as follows: to market the entire state or niche activities; consistent brand development; do what the industry can't do for itself; leverage cooperative programs and focus on international and new market development; gain ROI; focus on consumer trade and media audiences; focus on out of state and international visitors; support assessed businesses; establish a technology platform for all programs and align with key California CVB's to coordinate a resource base.

Lynn Carpenter reported that Asia is the market expected to show the greatest growth. She reported that the age wave emerging as well. The percentage of baby boomers will go from 20% to 25% and older travelers are interested in learning vacations. The CTTC is looking at a much broader market in terms of our competitive set. Domestic visitors are traveling via car from instate travel 90%. Sixty percent of out of state travelers are also driving. International visitors are flying then renting cars. Executive Director Beteta stated that since we are at the \$50 million level, we need to recognize that the CTTC needs to be able to influence incremental travel as part of the overall tourism economy.

The strategic matrix was reviewed. Lynn stated that the website search engine optimization is very important and will be a major task in the coming year. The CTTC will be developing a quarterly newsletter, and integrating campaign sites as well. The CTTC is also working with Sunset for the new re-designed Visitor's Guide for 2008. Staff will additionally be implementing the new technology that will allow people to have more personalized information on the web. Continue to develop new key partnerships, continue to serve our assessed businesses, and develop cooperative programs in the off season.

Marketing budget is reviewed.

Motion by Bob Warren to approve budget for full Commission approval. Second by Commissioner Wagnon. Motion Unanimously Approved.

Adjournment

Motion by Commissioner Meunier to adjourn meeting 12:30 pm. Second by Commissioner Anderson. Meeting Adjourned